

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

Re: Docket Nos. 150, 151, 1019, & 1290

**CERTIFICATION OF COUNSEL
REGARDING PROPOSED ORDER (I) APPROVING
THE FORM, CONTENT, AND MANNER OF NOTICE OF
THE DISCLOSURE STATEMENT SUPPLEMENT, (II) APPROVING
CERTAIN DEADLINES AND PROCEDURES IN CONNECTION
WITH CONFIRMATION, AND (III) GRANTING RELATED RELIEF**

On November 11, 2024, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the (a) *Joint Chapter 11 Plan of Franchise Group, Inc. and Its Affiliated Debtors* [Docket No. 150] (as amended, supplemented, or modified from time to time,

¹ The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

the “Plan”),² (b) *Disclosure Statement for the Joint Chapter 11 Plan of Franchise Group, Inc. and Its Affiliated Debtors* [Docket No. 151] (as amended, supplemented, or modified from time to time, the “Disclosure Statement”), and (c) *Debtors’ Motion for an Order (I) Approving the Disclosure Statement; (II) Approving Solicitation and Voting Procedures, Including (A) Fixing the Voting Record Date, (B) Approving the Solicitation Packages and Procedures for Distribution, (C) Approving the Form of the Ballots and Solicitation Materials and Establishing Procedures for Voting, and (D) Approving Procedures for Vote Tabulation; (III) Scheduling a Confirmation Hearing and Establishing Notice and Objection Procedures; and (IV) Granting Related Relief* [Docket No. 152] (the “Disclosure Statement Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”). On February 21, 2025, the Court entered an order (the “Disclosure Statement Order”) granting the relief requested in the Disclosure Statement Motion including, among other things, approval of the Disclosure Statement and the solicitation and voting procedures in connection with the Plan [Docket No. 1019].

On April 17, 2025, the Debtors entered into a global settlement (the “Settlement”) [Docket No. 1290] with the Freedom Lender Group, the Ad Hoc Group consisting of Required First Lien Lenders, and the Creditors’ Committee (collectively, the “Settlement Parties”) necessitating a further amended Plan to incorporate the terms of the Settlement and modification of certain solicitation dates contained in the Disclosure Statement Order. In connection with the Settlement, the Debtors prepared a supplemental disclosure that summarizes, among other things, the key terms of the Settlement, the related modifications to the Plan, and the resulting impact on the treatment and projected recoveries of certain Classes set forth therein (the “Disclosure Statement Supplement”). Attached hereto as **Exhibit 1** is a proposed form of order (the “Proposed Order”)

² Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Plan.

(a) approving the Disclosure Statement Supplement attached thereto as Exhibit A and the form, content, and manner of notice thereof, (b) approving certain modified dates and deadlines in connection with Confirmation, and (c) granting related relief.

The Debtors submit that the Disclosure Statement Order is appropriate and consistent with the terms of the Settlement and neither the Settlement Parties nor the Office of the United States Trustee objects to entry of the Proposed Order. Accordingly, the Debtors respectfully request that the Court enter the Proposed Order at its earliest convenience without further notice or hearing.

Dated: April 25, 2025
Wilmington, Delaware

/s/ Allison S. Mielke

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